

***PLEASE NOTE: Since the Glendale City Council does not take formal action at the Workshops, Workshop minutes are not approved by the City Council.**

**MINUTES
CITY OF GLENDALE
CITY COUNCIL WORKSHOP
OCTOBER 17, 2006
1:30 P.M.**

PRESENT: Mayor Elaine M. Scruggs, Vice Mayor Thomas R. Eggleston, and Councilmembers Joyce V. Clark, Steven E. Frate, David M. Goulet, H. Phillip Lieberman, and Manuel D. Martinez

ALSO PRESENT: Ed Beasley, City Manager; Pam Kavanaugh, Assistant City Manager; Craig Tindall, City Attorney; and Pamela Hanna, City Clerk

1. MAJOR GENERAL PLAN AMENDMENT (M-GPA06-11) HISTORIC PRESERVATION ELEMENT AND ACTION PLAN

CITY STAFF PRESENTING THIS ITEM: Mr. Jon M. Froke, AICP, Planning Director; and Mr. Ronald N. Short, FAICP, Deputy Director of Long Range Planning

This is a request for the City Council to discuss a Major General Plan Amendment to the General Plan through the addition of a Historic Preservation Element and Action Plan.

The Plan would address the Council's goals; "One Community with a Vibrant City Center" and "One Community with Strong Neighborhoods" by encouraging adaptive reuse of historic buildings and helping to improve historic neighborhoods through weatherization and stabilization projects.

The General Plan Amendment is considered a Major General Plan Amendment by the city and processed in conformance with the state statutes governing Major General Plan Amendments, including two public hearings (one off-site location) by the Planning Commission, and one public hearing by the Council, prior to adoption. Major General Plan Amendments do not require voter approval.

The Historic Preservation Commission adopted a work program for 2006 that included development and adoption of the Historic Preservation Element and Action Plan.

On April 27, 2006, the Historic Preservation Commission approved the draft Plan.

On June 1, 2006, the Planning Commission initiated the Major General Plan Amendment for the Plan.

The Plan provides a brief historic context of significant periods of Glendale development, and a list of historic resources that have been listed on the National Register of Historic Places. It also set forth goals and objectives that provide a strong significance for historic preservation, as well as outline a brief action plan for short-term, mid-term, and long-term actions.

In May of 2002, the Glendale General Plan was adopted by the Council and ratified by the voters in November 2003. Glendale 2025 became effective on December 1, 2002.

In November of 2003, the Council adopted the Historic Preservation Plan. This document provides direction to the Historic Preservation Commission in developing the historic preservation program.

The Plan will provide clear policy guidance for incorporating historic preservation into the planning process and economic development of the city center.

The Plan will help to maintain a strong sense of place for the city center.

The Plan will assist in improving the property values and property maintenance within the city center.

The Plan, in addition to being placed on the city website, was provided to all members of the Glendale Historical Society, all registered neighborhood groups and associations, as well as the citywide interested parties database. Telephone calls and email comments were received in support of the proposed element supporting 100% the Plan.

On August 28, 2006, a citywide public meeting was held to gain public input. General support was expressed for the proposed plan.

On July 10, 2006, staff briefly explained the plan to the Catlin Court Historic District Association. There were no objections from members.

In accordance with State Statute, staff provided the plan to adjacent cities, MAG, Maricopa County, various state agencies, the State Historic Preservation Office, and the Arizona Preservation Foundation, for the 60-day review period. Litchfield Park and Phoenix responded and had no objections.

Staff is seeking guidance from the Council to continue with the Major General Plan Amendment process in accordance with the procedure prescribed in the State Statutes.

Councilmember Goulet expressed his appreciation for the summary provided. With respect to goal number two of the plan, he asked if the objective was to lessen or adopt different changes in standards. Mr. Short explained that the changes are only on the exterior of the buildings and are up to code. He added that the adjustments are in keeping with the historic theme and will not compromise safety.

Councilmember Goulet had a question on goal number five. He asked if this incentive was only for historic development verses other types of growth. Mr. Short stated that the program was only for those properties on the historic registers that are undergoing restoration work. He said that this is in compliance with a heritage grant program. He added that there are 150 properties on the national register.

Councilmember Goulet asked what strategy would be used to redevelop the Beet Sugar Factory when the city does not own the property. Mr. Short said it would work as a partnership. He suggested working with the property owners, developers and the city to find a way to redevelop the property. He said they are working on a strategy to persuade the owner to rebuild.

Mayor Scruggs voice her concerns on how much liability the city would have relative to how the document was worded. She cited the Beet Sugar Factory and potential environmental problems as an example of her concern. She suggested rewording the document.

Councilmember Eggleston stated he appreciated all the work done by the staff and the Historic Preservation Commission members. He noted the importance of preserving historic properties for future generations. He hoped they included Sahuaro Ranch as a marketing consideration. Mr. Short was in agreement.

Councilmember Martinez asked if there had been a citywide survey to identify historic homes to be put on the register. Mr. Short said that it was done in 1997 for the entire community. He reported that they came up with potentially 800 properties that could be placed on the national register. He said the properties were ranked, and the top 20 were considered for the national register. He noted that this was part of the work program that the commission approves every year.

Councilmember Clark stated her approval of the plan, noting it was well written and thought out. She said that at this point she only seeks further information. She asked about CLG grants. Mr. Short explained Certified Local Government grants and clarified they are federal grants.

Councilmember Clark had questions on grant funding being used to entice restaurant owners to locate in a certain area. Mr. Short said he did not have that information. She asked if Little Saigon or the Gaslight Inn were enticed to locate to downtown Glendale. He replied that they had not been in touch with them. She commented that she was pleased they relocated on their own. She added that there are some market forces that are creating a profitable place in the dining district.

Councilmember Frate suggested having plaques or signs of some sort to identify historical properties. Mayor Scruggs agreed with Councilmember Frate. She noted that there have been discussions for 6 to 8 years on the issue. She said it would be nice if the citizens and tourists knew the history of the buildings. Mr. Short announced that he recently had placed an order for 10 bronze plaques for the 10 homes involved in the Catlin Court Heritage fund project. He is glad to be a part of launching this campaign for signage. Mayor Scruggs suggested that before moving forward on the plaques they should revisit what information should be placed on the plaques. She commented that she would like information on the building not just announcing it as a national historic register property. Mr. Short said he would be happy to revisit the issue.

Councilmember Clark suggested replacing typical plaques with a property information

sign. She also suggested having walking maps for the historic area. Mr. Froke stated that they do have a historic map listing historic properties by location and address.

Councilmember Frate suggested having both the plaques and signage. Mr. Froke stated that successful programs in other cities usually have the engraved plaques because of their durability. He said it is an area to further discuss.

Mayor Scruggs suggested using funds from the Mega Event Projects Fund to finance the plaques instead of waiting until next year.

Mr. Beasley stated that financially it should not be an issue. He said this has been discussed before and he is ready to move forward. Mayor Scruggs said she was delighted with the idea that people from all over the country will come to the city of Glendale and be enlightened.

Mayor Scruggs thanked the staff and the Historic Preservation Commission for their hard work and dedication.

2. POLICY DISCUSSION ABOUT PROPERTY TAX RATES

CITY STAFF PRESENTING THIS ITEM: Mr. Raymond Shuey, Chief Financial Officer; and Ms. Sherry M. Schurhammer, Management & Budget Director

The City Council has requested information to be presented on the city's property tax rates and levies to aid their discussion on the current and future property tax policy.

Municipalities, counties, school and community college districts, and special taxing jurisdictions, such as flood control and irrigation entities are able to impose property tax rates that are charged to property owners.

Arizona's property tax system consists of two tiers. The primary property tax levy has state-mandated maximum limits, but it can be used by a city for any lawful purpose. The primary property tax revenue is included in the General Fund's operating budget. The secondary property tax levy is not limited, but it can be used only to retire the principal and interest on a municipality's General Obligation debt. The secondary property tax revenue funds the city's capital improvement program (CIP).

The city's total property tax rate decreased from \$1.98 in Fiscal Year 1994-95 to \$1.72 in Fiscal Year 2000-01. The city's total property tax rate has remained unchanged at \$1.72 since Fiscal Year 2000-01.

The Council adopted the city's Fiscal Year 2006-07 property tax levy on June 27, 2006 after conducting a public hearing, as required by Arizona state law.

The Fiscal Year 2006-07 primary property tax rate will generate approximately \$3.8 million and the secondary property tax rate will generate approximately \$19.6 million, for a total of approximately \$23.4 million for the fiscal year.

Staff is seeking guidance from the Council on the city's future property tax rates and levies.

Councilmember Martinez asked if the 5% bump referred to the jump in the assessed valuations. Mr. Shuey said this was correct. He stated that the assessed valuations in Glendale could see increases between 30 and 40 percent; however, the CIP is balanced on 5%. He added that anything above that would be labeled a bump in assessed valuation. Councilmember Martinez asked if the city would realize a windfall as a result, adding he did not want that to happen. Mr. Shuey stated there would be no windfall.

Mayor Scruggs stated that she felt very strongly regarding this issue. She would like to see a policy decision that would reduce the property tax rate so as not to take advantage of the bump. She suggested that unless they lower the property tax rate they would indeed take advantage of the bump because the assessed valuation will go up more than the 5%. Mr. Shuey reported that they would have further information in the spring on final valuation numbers from the county assessor. Mayor Scruggs stated that she still wants to see them bring forth a plan to develop the CIP and budget policy without affecting the property owners.

Councilmembers Goulet, Eggleston and Frate voiced their concerns on this matter and agreed with Mayor Scruggs.

Mayor Scruggs reiterated her desire to cover the existing budget without negatively impacting Glendale's property owners. She noted that the council appeared to be in agreement. She would like to give some tax relief. She asked staff to prepare a plan that would avoid having to burden the taxpayers. She informed staff that she would oppose any plan that affects the citizens' financial liability. Mayor Scruggs added that construction is at an all time high and that will add a tremendous amount to the city's levy. She said she sees no reason to burden the taxpayer.

Councilmember Lieberman asked staff for a chart showing the affect it would have if they were to drop the rate in increments. Mr. Shuey stated that they have the chart completed and available. Councilmember Clark also requested a copy.

Councilmember Clark stated that because of the CIP and the cost of inflation, they might have to come up with different scenarios to consider.

Mayor Scruggs instructed staff to present additional information on this matter for further discussion.

ADJOURNMENT

The meeting was adjourned at 3:45 p.m.